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**COLUMBIA RIVER BASIN FISH
AND WILDLIFE PROGRAM**

Management Review of Contracting
Processes
December 1997

**Columbia River Basin Fish and Wildlife Program
Management Review of Contracting Processes**

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I. Executive Summary

The implementation process for the Columbia River Basin Fish and Wildlife Program (Program) has undergone significant changes over the past few years. These changes have responded to the results of a number of external assessments and internal improvement efforts that have focused on various components of Program implementation, including planning, procurement, contract administration, and monitoring and evaluation. Even as this review was being conducted it was apparent that there were ongoing efforts to improve the implementation process.

The Northwest Power Planning Council (Council) retained the services of Moss Adams to initiate a management review of the contracting processes for implementing the Program. The purpose of the review was to identify opportunities for improving upon the contracting for Fish and Wildlife Program implementation projects. This report provides a series of recommendations that delineates a road map for the Council, Bonneville Power Administration (BPA), Columbia Basin Fish and Wildlife Authority (CBFWA), and other Program stakeholders to create greater accountability for the Program, establish a more cost-effective process for Program development and implementation, and, ultimately, provide the foundation for a more successful Program.

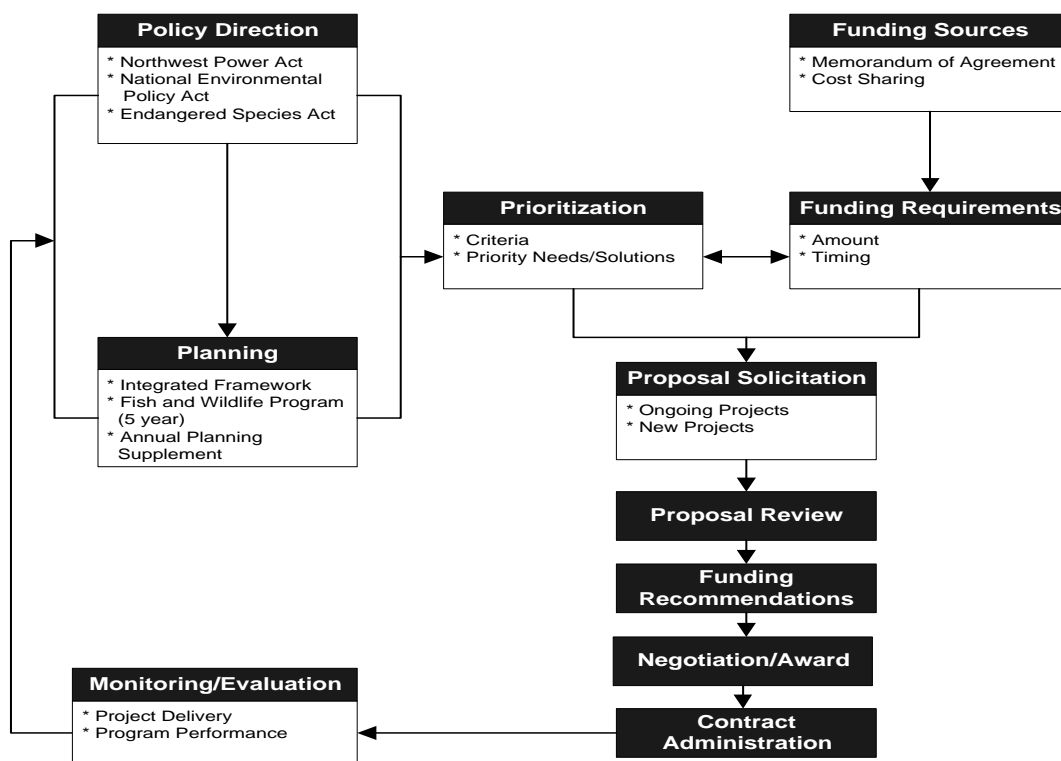
It is important to point out that some of the recommendations contained in this report may not be able to be implemented without careful review of the constraints placed on various stakeholders by the Northwest Electric Power Planning and Conservation Act, the Memorandum of Agreement, and other documents that establish legal requirements for Program implementation. Proposed changes in roles and responsibilities of existing entities or the creation of new entities most likely would occur only through legislative change or mutually agreed upon governance processes. Recommended changes are summarized below by major process participant.

- **Council**—Comprehensively update the Program every five years; when possible, prepare a detailed annual supplement to the Program; coordinate planning efforts of the various fish and wildlife stakeholders; prioritize projects as part of the annual planning process; streamline the proposal review process; develop BPA reporting requirements; develop and implement a comprehensive project delivery and program performance monitoring and evaluation framework; and initiate peer reviews.
- **BPA**—Utilize the solicitation process to request proposals for implementing priority projects; make modifications to the Bonneville Purchasing Instructions to strengthen procurement and contract administration; develop a funding transition policy for maintenance and operations costs; establish minimum information requirements for contractor proposals and progress reporting; and evaluate opportunities to reorganize contract administration personnel to improve the efficiency and cost-effectiveness of contracting activities.

- **CBFWA**—Participate in an annual planning and programming process and work interactively with the Council and BPA to enhance all facets of the planning and contracting process.
- **Independent Scientific Groups**—Consider consolidating the Independent Scientific Advisory Board and Independent Scientific Review Panel into one group.

Successful implementation of the planning, procurement, contract administration, and monitoring and evaluation recommendations contained herein will result in a more comprehensive, cost-effective planning and implementation process. A suggested comprehensive planning and implementation process for the Program is depicted in Exhibit 1.

Exhibit 1, Comprehensive Planning and Implementation Process for the Program



The next step is to assemble representatives of the key stakeholders to jointly develop a mutually acceptable, detailed action plan for implementing recommended changes. By working as a team, the Council, BPA, CBFWA, and independent scientific advisors can achieve this road map for improving the efficiency and effectiveness of the Program implementation process. Each of these groups and the public stand to greatly benefit from the successful implementation of the recommendations contained in this report.

II. Introduction

The Columbia River Basin Fish and Wildlife Program (Program) is intended to be a comprehensive plan for protecting and enhancing the Columbia Basin's fish and wildlife. The process by which the Program is implemented has changed dramatically over the years.

Changes in how the Program is implemented have resulted from a number of process assessments that have been conducted since the mid-1980s. These assessments have ranged from the 1985 Analysis and Development of a Project Evaluation Process to the 1996 Review of the Columbia River Basin Fish and Wildlife Program. Assessments have focused on various components of Program implementation, including planning, procurement, contract administration, and monitoring and evaluation.

This review concentrates on contract management processes, which include procurement and contract administration activities in support of Program implementation. In order to thoroughly evaluate procurement and contract administration processes, it was necessary to review the activities that precede and follow these core contracting steps. As a result, planning and monitoring and evaluation processes were also assessed to determine the extent to which a solid foundation for and subsequent follow-through of contract management exist. This effort seeks to learn from previous relevant assessments and combine past ideas with those developed as part of the current engagement. The product of this evaluation is a road map for developing a comprehensive, integrated approach to contract management for implementing the Columbia River Basin Fish and Wildlife Program.

A. Background

Three core documents establish the legal framework for the conditions under which fish and wildlife recovery measures are developed and implemented in the Columbia River Basin. They include the Northwest Electric Power Planning and Conservation Act of 1980, the 1996 Memorandum of Agreement between the four federal agencies vested in the Columbia River Fish and Wildlife Program, and the 1996 Amendment to the Northwest Electric Power Planning and Conservation Act of 1980.

1. Northwest Electric Power Planning and Conservation Act

On December 5, 1980, the 96th United States Congress enacted the Pacific Northwest Electric Power Planning and Conservation Act, herein referred to as the Northwest Power Act. Stated purposes of the Northwest Power Act address not only the provision of reliable power to the Pacific Northwest, but also the safekeeping of the environment in which power is

generated. More specifically, one of the primary purposes of the Northwest Power Act is:

“to protect, mitigate and enhance the fish and wildlife, including related spawning grounds and habitat, of the Columbia River and its tributaries, particularly anadromous fish which are of significant importance to the social and economic well-being of the Pacific Northwest and the Nation and which are dependent on suitable environmental conditions substantially obtainable from the management and operation of the Federal Columbia River Power System and other power generating facilities on the Columbia River and its tributaries.”

To achieve the purposes of the Northwest Power Act and facilitate cooperation among the states of Idaho, Montana, Oregon, and Washington, and with the Bonneville Power Administration, Congress established the Pacific Northwest Electric Power and Conservation Planning Council, now known as the Northwest Power Planning Council or the Council. Two core responsibilities of the Council specified in the Northwest Power Act are to (1) prepare, adopt, and transmit to the Bonneville Power Administration a regional power plan and (2) develop and adopt a fish and wildlife program.

The fish and wildlife program is required to specify measures for protecting, mitigating, and enhancing fish and wildlife affected by the development, operation, and management of hydroelectric facilities. Development of the fish and wildlife program must give consideration to recommendations provided by the Bonneville Power Administration, federal fish and wildlife agencies, the region’s state fish and wildlife agencies, appropriate Indian tribes, any entities owning or operating a hydroelectric facility on the Columbia River or its tributaries, and the public. Additionally, the 9th Circuit Court’s opinion in *Northwest Resource Information Center v. Northwest Power Planning Council* (commonly referred to as the Tang decision) requires the Council to give due deference to recommendations of the fish agencies and tribes. Funding for implementing the Council’s Fish and Wildlife Program measures is provided on an annual basis by the Bonneville Power Administration.

The Northwest Power Act calls for the Council to establish a voluntary scientific and statistical advisory committee to assist in the development and amendment of a regional power plan. The Council is also permitted to establish other voluntary advisory committees to assist in carrying out its functions and responsibilities.

2. Memorandum of Agreement

In September 1996, a Memorandum of Agreement was signed by four federal agencies concerning the Bonneville Power Administration's financial commitment for Columbia River Basin fish and wildlife costs. The Memorandum of Agreement was entered into by the Department of Energy, on behalf of the Bonneville Power Administration; the Department of the Army, on behalf of the U.S. Army Corps of Engineers; the Department of the Interior, on behalf of the Bureau of Reclamation and the Fish and Wildlife Service; and the Department of Commerce, on behalf of the National Oceanic and Atmospheric Administration through the National Marine Fisheries Service. Collectively, these entities are referred to as the Parties.

The Memorandum of Agreement establishes expectations of the Parties for the Fiscal Years 1996 through 2001 relative to the budget commitment for fish and wildlife costs covered under the Agreement. Specifically, the Memorandum of Agreement also sets a multi-year budget for addressing fish and wildlife obligations along with budget management and program accountability requirements tied to fish and wildlife expenditures. This Agreement makes available \$127 million per year for capital and operating expenditures associated with the Council's program. The Agreement establishes procedures for the development of multi-year and annual work plans by the Parties, Council, state fish and wildlife agencies, and Tribes. In addition, it reaffirms the commitment of the Parties to working cooperatively with the Columbia Basin Indian Tribes.

3. 1996 Amendment to the Northwest Power Act

In 1996, the United States Congress passed a significant amendment to the Northwest Power Act. The Amendment includes provisions for additional independent scientific expertise in the evaluation of proposed fish and wildlife projects, and added responsibilities for the Council. The adopted changes seek to ensure that fish and wildlife funds are expended in the most cost-efficient and effective manner possible.

The amendment directs the Northwest Power Planning Council to appoint an Independent Scientific Review Panel to review projects proposed to be funded through the Council's fish and wildlife program. The eleven scientists to comprise the Independent Scientific Review Panel are to be selected from a list of scientists submitted by the National Academy of Sciences.

In addition, the amendment calls for the establishment of Scientific Peer Review Groups to assist the Independent Scientific Review Panel in making recommendations to the Council for projects to be funded by the Bonneville Power Administration. Peer Review Group members also will be selected from a list of scientists submitted by the National Academy of Sciences.

The 1996 Amendment to the Northwest Power Act requires the Council to fully consider the recommendations of the ISRP when making its funding recommendations to BPA. If the Council does not adopt a recommendation of the ISRP, then the Council must explain in writing its reasons for doing so. The Council, after consideration of the recommendations of the ISRP and other appropriate entities, is entrusted with the responsibility of making the final recommendations of projects to be funded through BPA's annual fish and wildlife budget.

B. Review Process

The Northwest Power Planning Council retained the services of Moss Adams LLP to conduct a management review of the contracting process for implementing the Council's Fish and Wildlife Program. Recognizing the interrelatedness of contracting (i.e., procurement and contract administration) with the preceding step of planning and the subsequent steps of monitoring and evaluation, the review also addressed these related steps. By evaluating these other processes, we were able to determine whether the planning phase establishes a solid foundation for the contracting phase and whether contracting supports the requirements of monitoring and evaluation.

The review of the Columbia River Basin Fish and Wildlife Program contracting process consisted of four primary steps. They included project initiation, fact finding, analysis and assessment, and reporting. Project initiation focused on gaining an orientation to Program participants and their roles and responsibilities in the annual contracting process. Project initiation also involved identifying personnel to be interviewed, documents to be reviewed, and process components to be evaluated. Fact finding encompassed an extensive interview and document review process. Based on the results of fact finding, the contracting process was analyzed for strengths and opportunities for improvement. Finally, an assessment was prepared and documented in a final report.

Portions of the contracting process have received significant scrutiny over the past several years. As a result, a critical aspect of this assessment entailed reviewing previous relevant assessments and determining the extent to which

recommendations for process improvements have been implemented. This review seeks to leverage and integrate the work performed through previous efforts.

The contracting process was evaluated in terms of the cost-effectiveness of planning and implementation activities. The review was conducted using standard analysis and assessment techniques. Findings and recommendations were reviewed with executives from Bonneville Power Administration, Columbia Basin Fish and Wildlife Authority, and Northwest Power Planning Council, before being finalized. This report contains all findings and recommendations, along with a proposed action plan. Although executives from stakeholder organizations reviewed the findings and recommendations contained in report, additional distribution, review, and evaluation by their constituents will be necessary for its final acceptance.

III. Current Contracting Process

The current contracting process for protecting, mitigating, and enhancing fish and wildlife in the Columbia River Basin encompasses a wide range of activities and numerous stakeholders. A holistic view of contracting and related activities spans from developing and updating the Columbia River Basin Fish and Wildlife Program, to soliciting and evaluating project proposals to carry out the Program, to managing project implementation, and finally to monitoring and evaluating project effectiveness. Key participants and the current process by which these activities are accomplished are described below.

A. Key Participants

There are several entities that play critical roles in the development and implementation of the Columbia River Basin Fish and Wildlife Program. These organizations include the Northwest Power Planning Council, Bonneville Power Administration, Columbia Basin Fish and Wildlife Authority, Independent Scientific Advisory Board, Independent Scientific Review Panel, and Scientific Peer Review Groups. The general roles and responsibilities of each of these groups in relation to the Columbia River Basin Fish and Wildlife Program are briefly described below.

1. Northwest Power Planning Council (Council)

The Council was established by the Northwest Electric Power Planning and Conservation Act of 1980 to develop a program to protect, mitigate, and enhance the Columbia Basin's fish and wildlife. The Council is a planning, policy-making, and reviewing body. It develops and monitors implementation of the Columbia River Basin Fish and Wildlife Program. It also is responsible for providing funding recommendations to the Bonneville Power Administration relative to implementing the Columbia River Basin Fish and Wildlife Program. The Council works interactively with the various fish and wildlife stakeholders in carrying out its duties.

2. Bonneville Power Administration (BPA)

BPA provides funding and implements projects recommended for funding by the Council. BPA fulfills this responsibility by funding projects, procuring contracts, and providing contract administration services. Three separate groups within BPA are involved in this process. They include the Fish and Wildlife Division, Division of Materials and Procurement, and Financial Services Group.

3. **Columbia Basin Fish and Wildlife Authority (CBFWA)**

CBFWA, considered the “managers” of the Columbia Basin fisheries, represents the interests of a number of entities with a stake in the Columbia River Basin’s fish and wildlife. CBFWA’s role in the planning and programming process includes recommending and prioritizing fish and wildlife projects within an allocated budget to the Council. CBFWA members include:

- **Federal Agencies**—National Marine Fisheries Service and United States Fish and Wildlife Service.
- **State Agencies**—Idaho Department of Fish and Game; Montana Department of Fish, Wildlife, and Parks; Oregon Department of Fish and Wildlife; and Washington Department of Fish and Wildlife.
- **Indian Tribes**—Burns-Paiute Indians, Coeur d’Alene Tribe, Colville Reservation, Kalispel Indians, Kootenai Tribes, Nez Perce Tribe, Salish-Kootenai Tribes, Shoshone-Bannock Tribes, Shoshone-Paiute Tribes, Spokane Tribe, Confederated Tribes of the Umatilla Indian Reservation, Warm Springs Reservation, and Yakama Nation.

4. **Independent Scientific Advisory Board (ISAB)**

The ISAB was established to provide independent scientific advice and recommendations on issues related to regional fish and wildlife recovery programs under the Northwest Power Act and the Endangered Species Act. It is designed to foster a scientific approach to fish and wildlife recovery and ensure the use of sound scientific methods in the planning and implementation of research and recovery strategies related to these programs. Members of the ISAB are appointed by the chair of the Northwest Power Planning Council and the regional director of the National Marine Fisheries Service (NMFS), based on recommendation of senior academic scientists and the National Research Council. Eleven members serve on the ISAB. In addition, the Council and NMFS each provide a senior scientist to serve as ex-officio members.

5. **Independent Scientific Review Panel (ISRP)**

The ISRP is comprised of eleven independent scientists appointed by the Council from a list of nominations from the National Academy of Sciences. The ISRP’s role is to review fish and wildlife projects recommended for funding by BPA. The ISRP is designed to ensure that the projects are consistent with the Council’s Columbia River Basin Fish and Wildlife

Program, based on sound scientific principles, beneficial to fish and wildlife, and defined by clear objectives and outcomes with provisions for monitoring and evaluation.

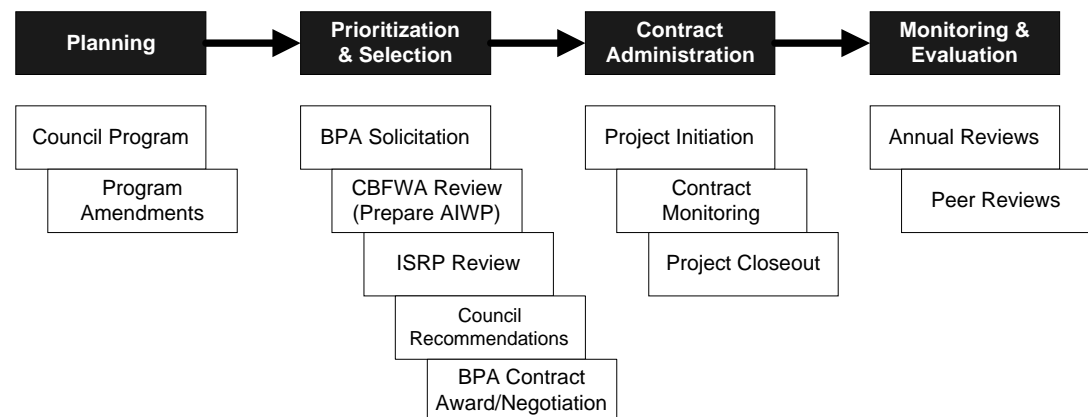
6. Scientific Peer Review Groups

Peer Review Groups are to be established by the Council to assist the ISRP in making its recommendations to the Council for projects to be funded through BPA's annual fish and wildlife budget. Peer Review Group members are appointed by the Council from a list of nominations provided by the National Academy of Sciences.

B. Current Process and Procedures

The contracting process that supports implementation of the Council's Columbia River Basin Fish and Wildlife Program consists of two primary components. They include (1) project prioritization and contractor selection and (2) contract administration. Two processes highly related to these contracting activities include (1) planning and (2) monitoring and evaluation. The relationship of these four processes, the steps embedded in each process, and the roles of the key process participants are described below. The current contracting process is illustrated in Exhibit 2.

Exhibit 2, Current Contracting Process



1. Planning

The Pacific Northwest Electric Power Planning and Conservation Act of 1980 requires the adoption of a program by the Council to protect, mitigate, and enhance fish and wildlife on the Columbia River and its tributaries affected by hydroelectric projects. The Council developed the first Columbia River Basin Fish and Wildlife Program in 1982. The Program is required to be reviewed at least once every five years. The Program was amended in 1984, 1987, 1991-1993, and 1994. The 1994 Program represents the current long-range plan for the Columbia River Basin. Since the 1994 Program only dealt with anadromous fish, amendments to the 1994 Program were issued by the Council on September 13, 1995, to address resident fish and wildlife measures.

The Program is developed and amended by the Council by requesting recommendations from the region's federal and state fish and wildlife agencies, Indian tribes, and other interested parties. The Program establishes measures to protect, mitigate, and enhance fish and wildlife affected by hydroelectric dams; objectives to develop and operate hydroelectric dams in a manner that protects, mitigates, and enhances fish and wildlife; and a coordinated approach to fish and wildlife management, research, and development. Ultimately, the Program provides the foundation and framework for annual fish and wildlife projects proposed for BPA funding.

2. Prioritization and Selection

Six to nine months before the beginning of a fiscal year, the project prioritization and contractor selection process is initiated for the upcoming federal fiscal year (i.e., October 1st through September 30th). BPA and the Council solicit project proposal applications from fish and wildlife agencies, tribes, universities, local governments, and others to address the measures and objectives contained in the Program. The application process is open to the public, but the solicitation is not advertised. The application, known as the "BPA Form," is a multi-page document that applicants must use to provide details of proposed projects. Key steps for the remainder of the prioritization and selection process are provided below.

BPA (Fish & Wildlife Division) accumulates the completed applications and forwards them to CBFWA and the ISRP. CBFWA reviews and prioritizes the projects. In order to prioritize proposed projects, CBFWA uses evaluation criteria it developed and the Council approved. The product of CBFWA's efforts is the Annual Implementation Work Plan (AIWP), which contains CBFWA's funding recommendations. The AIWP must meet the following allocation of project dollars: 70% to anadromous

(migrating) fish, 15% to resident fish, and 15% to wildlife (recommended by the Council). The AIWP is submitted to the Council.

As a result of the 1996 Amendment to the Northwest Power Act, the ISRP was created to ensure proposed projects are evaluated based on their scientific merits and consistency with the Fish and Wildlife Program. The ISRP also reviews the proposals and provides recommendations for project funding to the Council.

The timing of the 1996 Amendment to the Northwest Power Act did not permit the ISRP to be formed in time to review for FY98 the several hundred project applications in the depth desired. The ISRP intends to play a more significant role in evaluating the scientific foundation for projects proposed to be funded in FY99.

The Council receives and reviews the recommendations of CBFWA and the ISRP for consistency with the measures and objectives of the Program. In addition, the Council reviews recommended projects relative to cost effectiveness, ocean impacts, and public comment as required by the 1996 Amendment to the Northwest Power Act. Public comments are accepted on the recommendations for at least 30 days. The fish and wildlife managers then have an opportunity to review the comments and make changes to their recommendations.

The Council submits its funding recommendations to the BPA. The Council's recommendations may differ from that of CBFWA or the ISRP, however, any variations from the ISRP's recommendations must be accompanied by a written explanation by the Council. BPA is charged with defining the scope of projects, selecting project contractors, and negotiating budgets and contract terms for Council recommended projects. BPA is not bound by the Council's recommendations but in recent years has closely followed them.

The process by which Council recommendations, which often include conditions, are translated into detailed work plans represents one of the primary and most time consuming duties of BPA's Fish and Wildlife Division. This function is performed by Contracting Officer's Technical Representatives. They work with prospective contractors to develop scientifically sound work plans that constitute detailed recommendations. Work plans include a detailed scope of work, schedule, and cost estimate. Ultimately, BPA selects contractors to implement the work plans and negotiates project budgets and contract terms. These contracts are typically entered into with the same contractors that submitted project proposals.

3. Contract Administration

Contract administration spans from the time of contract award to final receipt and acceptance of the contracted services. BPA has full responsibility for contract administration. There are three groups within BPA that play integral roles in contract administration. They include the Fish and Wildlife Division, Division of Materials and Procurement, and Financial Services Group. The representatives of these divisions that are involved in contract administration include the Contracting Officer and Contracting Officer's Representative from the Division of Materials and Procurement, Contracting Officer's Technical Representative from the Fish and Wildlife Division, and personnel from Disbursement Operations within the Financial Services Group.

The Contracting Officer (CO) is responsible for ensuring performance of all actions required for effective contracting, ensuring compliance with contract terms, and safeguarding the interests of BPA in its contractual relationships. Contracting Officers often designate a contract specialist, referred to as a Contracting Officer's Representative (COR), to perform contract preparation and administrative work. In addition, a Contracting Officer's Technical Representative (COTR) is designated and authorized by the CO to perform technical contract administration activities on behalf of the CO, within limits specified by the CO.

The CO, COR, and COTR work as a team to administer a contract. Each member of the team is responsible for portions of the contract administration process. The CO, with the assistance of the COR, performs the following duties:

- Monitors the financial and administrative aspects of the contract through the COTR;
- Maintains the official award files;
- Handles correspondence and reports (other than technical) relating to the terms and conditions of the contract;
- Maintains copies of all relevant correspondence between the COTR and contractor;
- Reviews property acquisition and management and arranges for disposition of property after completion or termination of the project;
- Orders changes and modifications to the contract; and
- Closes the contract.

Once a project is awarded, it is the COTR's responsibility to work with the contractor to develop a final scope of work, budget, and schedule. Following this project initiation phase, the COTR monitors the contract to ensure BPA receives, in a timely manner, the goods or services that conform to the technical requirements of the contract. Specifically, the COTR performs the following duties:

- Serves as a liaison between the contractor and CO on contractual matters;
- Maintains a record of all communications with the contractor and significant events relating to the contract;
- Assists the contractor in interpreting technical requirements of the contract;
- Recommends to the CO changes to the scope, budget, and/or schedule for the work with appropriate technical and cost justification;
- Monitors contractor performance;
- Reviews and recommends payment of invoices;
- Provides acceptance of final deliverables; and
- Performs technical analyses of contract cost proposals for contract modifications or extensions.

The Finance Division's involvement in contract administration is limited to recording actual payments and draws and processing the checks to contractors. Contractors can receive payment in one of two ways. The first payment method is a request for reimbursement, whereby a contractor submits a Request for Advance/Reimbursement Form and invoice in order to receive payment for services rendered. COTR approval of the request is required for Disbursement Operations to process a check.

A second method of payment, which applies only to intergovernmental contracts, is an on-line payment. In this case, payments are disbursed using the U.S. Treasury's On-Line Payment and Collection (OPAC) system. Payments are transferred from BPA's account with the U.S. Treasury to the contractor's account. Disbursement Operations sends a hard-copy billing of the transaction to the COTR for review and approval. Even though this step takes place after funds have been disbursed, BPA can make adjustments to the account of the contracting agency, if necessary. Contractor advances, through a letter of credit, are no longer permitted, as of FY97.

4. Monitoring and Evaluation

Monitoring and evaluation are supported by contractor progress reporting. Each year, progress reports prepared by contractors are intended to provide the information needed to determine whether a project is achieving its objectives. The Memorandum of Agreement also establishes requirements for project progress reporting, program performance monitoring, and other accountability measures by the Parties participating in the Memorandum of Agreement.

The monitoring and evaluation process was recently strengthened by the 1996 Amendment to the Northwest Power Act, which introduced the ISRP and Peer Review Groups to the project evaluation process. The Amendment calls upon the ISRP to annually review contractor progress reports as part of the project evaluation process. In addition, a peer review will be conducted of continuing projects. The ISRP recommended peer reviews be conducted every three to five years. They can also be conducted more frequently. Ongoing efforts to strengthen monitoring and evaluation include the Council's development of an Integrated Framework for Fish and Wildlife Management in the Columbia River Basin and BPA's development of a Standard Template for Projects.

IV. Contracting Opportunities for Improvement_____

A. *Procurement*

Procurement represents one of two core components of a contracting process. The current contracting process for Program implementation is more accurately defined as project prioritization and contractor selection, as identified in Section III, Current Contracting Process. Procurement findings and recommendations address opportunities for improving the process by which project services are solicited and retained. Procurement should span from proposal solicitation to contract negotiation and award. A thorough procurement process will support cost-effective contract administration.

It is important to acknowledge that there are unique institutional and legal requirements that place certain limitations on the degree of cost-effectiveness that can be achieved in BPA's procurement process. This review recognizes these barriers but, nonetheless, attempts to identify findings and recommendations that would otherwise achieve a higher level of cost-effectiveness. Institutional and legal requirements may be addressed as opportunities arise in the long term.

1. **Finding:** Proposal solicitation initiates the project prioritization and contractor selection process instead of the procurement process. The BPA Proposal Form is used to solicit project proposals. BPA works with contractors submitting proposals to develop detailed work plans for priority projects. These work plans provide the basis for subsequent contract negotiations. In some cases, scopes of work, schedules, and cost estimates have significantly changed from the proposal stage to the contract negotiation stage.

Recommendation: Utilize the solicitation process to request proposals for implementing projects that have been defined in a detailed manner and prioritized during the annual planning process. (See planning findings #2 and #4.) Once proposals have been reviewed and evaluated, contract negotiations can be initiated with the highest ranked, qualified bidder.

If a project scope of work, schedule, and cost estimate are prepared during the planning phase, then a more detailed project definition will be able to be provided to prospective bidders. This will enable bidders to be more definitive in their proposed work plans, schedules, and budgets. This will help to reduce discrepancies between proposed and negotiated work plans, schedules, and most importantly budgets.

2. **Finding:** There are many organizations involved in the annual project proposal review process, which results in an inefficient process and

difficulty in pinpointing accountability for Program implementation. Currently, BPA solicits and receives proposals and then forwards them to CBFWA and the ISRP. CBFWA reviews the proposals and packages them into an Annual Implementation Work Plan (AIWP). The AIWP, which contains CBFWA's funding recommendations, is submitted to the Council. The ISRP reviews the proposals and also provides recommendations to the Council. The Council reviews CBFWA's and ISRP's recommendations, and then provides its own funding recommendations to BPA. It is recognized that some streamlining occurs through an informal collateral review of the proposals, while CBFWA is preparing the AIWP.

Recommendation: Streamline the proposal review process by placing the sole responsibility for review with a single entity. This existing or new entity may require some scientific support from independent scientific advisors to evaluate the scientific principles upon which a particular approach to a project is based. However, the need for an extensive scientific evaluation of proposals, with the exception of peer reviews, should be replaced by incorporating scientific input from independent scientific advisors in the planning process. (See planning findings #2 and #5.)

It is important to point out that a legal review will be needed to assess the implications of the suggested changes related to the 1996 Amendment to the Northwest Power Act and Memorandum of Agreement, and to ensure consistency with the Tang decision. In all likelihood, legislative changes would be required to establish a new entity and/or realignment of roles and responsibilities for the entities currently involved.

3. **Finding:** There is a lack of competition in the procurement process. When a project involves an entity that has the responsibility to manage the property or resource to be affected by the services to be performed, BPA exercises its ability to conduct noncompetitive transactions under Bonneville Purchasing Instructions (BPI) 11.7.1.2. Practically, BPA cannot expect to receive competing proposals when this clause applies. Unless permission is granted to another organization, only the entity with responsibility for managing the targeted property is likely to have authority to perform work on the property.

However, many of the contracts with public entities encompass sizable subcontracts with other public entities and private firms. BPA should not be limited in its ability to receive proposals that contain competitively bid subcontractor services.

Recommendation: Assess the feasibility of modifying the Bonneville Purchasing Instructions to acquire subcontractor services by competitive procurement. At a minimum, this should require receipt of three proposals for services or, if three proposals were not able to be obtained, evidence that bids were solicited from at least three firms. All other contracts should be competitively bid in accordance with requirements established in the BPI. Legal issues will need to be reviewed in this regard. Alternatively, there may be other methods derived (i.e., benchmark projects, studies, etc.) that would allow BPA to assess the relative cost competitiveness of contracts.

4. **Finding:** Some “pass through” contracts include an agency administrative fee. Pass through contracts are contracts that have been executed with an entity having responsibility to manage the property or resource to be affected by the services to be performed even though all or most of the services rendered are provided by another organization through a subcontract.

Recommendation: Consider revising the Bonneville Purchasing Instructions to either 1) define criteria for use in determining the permissibility of “pass through” fees or 2) develop a standard methodology for calculating administrative fees. In order for administrative fees to be justified, value must be added to the administration process or additional administrative costs must be avoided.

5. **Finding:** A large percentage of the BPA funds available for implementation of the Program are now being spent on maintenance and operations costs associated with ongoing projects/facilities. This increasingly limits the ability to fund new projects and tends to minimize opportunities to apply adaptive management principles.

Recommendation: Develop a framework for transitioning from BPA to fishery managers or other sources of funding for maintenance and operations costs. A phased process of gradually decreasing BPA funding for maintenance and operations of operational projects should be considered. If possible, estimated maintenance and operations costs should be developed at the project proposal stage rather than at the operational stage. An alternative would be to determine a basis for allocating funding not only for anadromous and residential fish, but also for research, development, and maintenance and operations costs. Incorporate any funding policy changes into the proposal solicitation process. It is recognized that implementation of these recommended changes would likely require modifications to the Memorandum of Agreement.

B. Contract Administration

Contract administration represents the other core component of a contracting process. Contract administration findings and recommendations concentrate on cost-effective enhancements of procedures for initiating, monitoring, modifying, and renewing contracts. Contract administration involves development of project work plans, budgets, and schedules; documentation and justification of modifications; invoice review and approval; and progress reporting. Many of the findings and recommendations resulted from the review of representative contract files.

- 1. Finding:** There are many BPA personnel involved in the administration of contracts, which can result in lack of consistent focus and miscommunication. A typical contract is assigned a CO, COR, and COTR. None of these personnel appear to have all of the information they need to properly fulfill their responsibilities. The COTRs are reported to be understaffed.

Recommendation: Evaluate the feasibility of integrating the COR fish and wildlife contracting and COTR functions within the BPA Fish and Wildlife Division. Integration of these functions will provide the opportunity to enhance the cost-effectiveness of contract administration processes through improved communication, common supervision, streamlined processes, and more efficient resource utilization. Implementation of this recommendation will require further organizational analysis.

- 2. Finding:** There appear to be lower standards applied to public contractors than their private sector counterparts regarding information requirements for work plans. Typically, public entities appear to have been allowed to provide less detailed work plans than their private sector counterparts. This has been particularly true for cost estimates. Private entities have been required to tie cost estimates to specific tasks, while the requirements for public contractors have been less restrictive.

Recommendation: Apply the same high standards for information requirements to both public and private contractors relative to the preparation of work plans. These standards should include identification of labor costs, expenses, and timing of activities by task. In addition, performance results for the project should be clearly documented, based on the detailed work plans. Specifications currently being developed by BPA for contractor project management plans should be incorporated into contractor work plan requirements.

3. **Finding:** Contract agreements between BPA and contractors for multi-year projects do not specify multi-year cost estimates and often do not provide multi-year work plans. In some cases, multi-year cost estimates are included in project proposals. Cost estimates beyond the first year of a project are critical to the Council being able to make informed decisions regarding multi-year budget implications of proposed projects.

Recommendation: Require contract documents for multi-year contracts to include multi-year work plans and cost estimates. Again, cost estimates should be provided by task and updated annually. This could also help address the problem of projecting ongoing maintenance and operations costs once a project is complete. (See procurement finding #5.)

4. **Finding:** There is a lack of correlation between project time frames and project budgets. Multi-year contracts specify the duration of the project, yet the “not to exceed” budget reflects the current year budget plus any previous year budgets. Future costs are not reflected in the “not to exceed” budget.

Recommendation: Indicate both the total and annual “not to exceed” budgets for the entire project in contract agreements. This will provide the capability to track actual versus planned expenditures on annual and total project duration bases.

5. **Finding:** It appears that contractor work plans are often developed to justify a cost estimate equal to the BPA budget allocated to the project. It was reported that BPA budget allocations are viewed by contractors as guaranteed funding. As a result, statements of work and the associated cost estimates appear to be driven more by the allocated budget than the level of effort required to accomplish the objectives of the project.

Recommendation: Require COTRs to apply greater scrutiny to contractor work plans and cost estimates. COTRs would be aided by the availability of more detailed project descriptions, cost estimates, and schedules being incorporated by the Council into the annual Program supplement (planning finding #2). Contract cost-effectiveness could also be improved through enhanced opportunities for competition as described in procurement finding #3.

6. **Finding:** There is little written explanation provided by COTR's when recommending modifications to existing contracts. COTRs prepare a memorandum to recommend contract modifications to the CO. These memoranda rarely provide support for modifications based on contractor performance or other project status information. Furthermore, these memoranda frequently do not specify the amount of the recommended modification or the modification number. Similarly, purchase requisitions for modifications do not specify the modification number.

Recommendation: Require COTR memoranda recommending contract modifications to provide justification for and details of the modification. Require related documents to include key identifying information to tie them together. For instance, modification purchase requisitions, modifications, and COTR modification memoranda should all identify the modification number, amount, and time period. This will provide a better basis for COs and others to review and approve contract modifications. This recommendation also relates to contract administration finding #11.

7. **Finding:** Contracts sometimes change considerably in scope and budget, and create the appearance of avoiding the annual proposal review and prioritization process. When significant changes occur, it is often difficult to correlate original and revised specifications of a project.

Recommendation: Develop criteria for re-authorizing projects once they exceed a threshold for a specified budget, schedule, or scope of work modifications. It would be appropriate to establish different requirements for different types of projects and conditions. For example, research, construction, and monitoring and evaluation projects would likely warrant different requirements.

8. **Finding:** When master agreements are utilized, individual and aggregate project costs are not always tracked. Master agreements are established when multiple related projects are anticipated to implement a measure.

Recommendation: Track both individual and aggregate project costs covered by a master agreement. This will assure that decision makers not only know how much money is being expended in aggregate under a master agreement, but also the level of expenditure on each project covered by the master agreement.

9. **Finding:** COTR Status Reports provide little information relative to the performance of the contractor and status of the project. These status reports are provided with invoices and contractor progress reports to the CO/COR. COTR Status Reports are used more as a transmittal document than a source of insightful information, since they normally provide no written comments. Routine status reports are required by the BPI (Appendix 14A.3.1), but apparently are not prepared.

Recommendation: Ensure that COTRs fulfill the requirement to prepare monthly or quarterly status reports that provide detailed information regarding schedule status, budget status, accomplishment status for the reporting period, expected activities for the upcoming reporting period, and any issues that need attention. Modify the COTR Status Report as necessary to accommodate this information. COTR Status Reports should provide an opportunity to keep both the CO/COR and Council informed of project status.

10. **Finding:** In some cases, BPA has experienced difficulty obtaining contractor progress reports and supporting documentation for invoices. Some entities have been inconsistent in providing a detailed breakdown of expenditures covered by an invoice. It appears that it is the norm for annual and quarterly contractor progress reports to be submitted late or not at all. A process has not been established to enforce contractor reporting requirements.

Recommendation: Ensure CO/COR/COTRs receive the support necessary to enforce contractor reporting requirements. Do not approve invoices unless they provide sufficient detail and are accompanied by a progress report. BPA cannot be expected to properly manage contracts if they cannot obtain the information needed to assess project status and the accuracy of invoices. Repeated absence of contractor status report could be one of the criteria which prompts a project re-authorizing review. This recommendation is consistent with the accountability requirements set forth in the Memorandum of Agreement for the Parties to provide information, data, and evaluations for projects.

- 11. Finding:** CO/COR prepared Cost Analysis forms are not accompanied by supporting documentation. These forms cover verifications related to direct labor pay schedules, fringe rates, travel costs, vehicle rental rates, equipment and supplies prices, operations and maintenance costs, and subcontracting costs. CO/COR and COTR files contained no documentation for the analyses conducted to support stated verifications, including obtaining fair market prices for equipment and supplies and fairness and reasonableness of subcontractor estimates.

Recommendation: Ensure documentation supporting cost analysis pertaining to contract agreements and modifications is present in contract files. This information is central to helping ensure competitive costs are realized.

- 12. Finding:** Contractor invoices are not itemized by task and generally not correlated to progress. Invoices itemize labor costs and expenses, but they are not tied to tasks. Costs that are itemized by task provide another means of measuring progress and tracking budget status.

Recommendation: Require contractor invoices to itemize labor costs and expenses by task. This recommendation relates to contract administration recommendation #3, which requires cost estimates in work plans to be itemized by task.

- 13. Finding:** Contractual agreements that provide a letter of credit for the contractor have significantly complicated BPA's ability to manage project budgets. Prior to 1997, letters of credit were permitted for contracts with fish and wildlife agencies and resulted in disbursements being made faster than anticipated and, in some cases, exceeding project budgets. For example, a review of contract files revealed a double payment in the amount of \$112,866.11. The double payment occurred due to one payment being made via a draw through the letter of credit process, and a second payment mistakenly being made when the invoice documenting the draw was received. In addition, it was reported that invoices submitted to substantiate draws have tended to be received by BPA long after draws were made and sometimes did not match the amount of the draw.

Recommendation: Do not reinstate letter of credit contracts, and resolve the identified double payment.

- 14. Finding:** Contractual agreements with other federal agencies that provide for on-line disbursements have also hindered BPA's ability to manage project budgets. As specified in Bonneville Purchasing Instructions 14A.8.3, contractor payments for intergovernmental contracts with other federal agencies permit disbursements using the U.S. Treasury's On-Line Payment and Collection (OPAC) system. Under this system, payments are initiated by the contractor, and funds are generally transferred to the contractor before BPA can review and approve the associated invoice. However, BPA has an opportunity to review and, if necessary, correct the billing by generating a credit or charge back entry to the account of the contracting agency. The amount drawn sometimes differs from the amount shown on the invoice. No evidence was found of transactions being reviewed by the COTR. This lack of review creates the potential for payments to be made in excess of established contract ceilings.

Recommendation: Modify the BPI to require contractors to submit and obtain BPA approval of invoices before draws are made through the OPAC system for the amount shown on the invoice.

- 15. Finding:** The Council does not receive information sufficient to keep adequately abreast of project status. Information exchange deficiencies between BPA and the Council exist relative to contract modifications, including scope, schedule, and budget. The Council also receives limited information on project results, especially regarding monitoring and evaluation assessments. There is a quarterly project review process with BPA and the Council that is intended to address project status, however, the information provided appears to primarily deal with budget status. This lack of information makes it extremely difficult for the Council to follow project progress and evaluate the cost-effectiveness of projects.

Recommendation: Develop BPA reporting requirements to the Council. This will require BPA and the Council to work together to determine (1) the Council's general and project specific information requirements and (2) how BPA can respond to the identified information needs. Process details will include the timing, format, and content of information provided by BPA to the Council.

A key to success is establishing project checkpoints for Council review. Project checkpoints should begin with contract negotiations and conclude with project close-out. In addition, the Council should be informed of any proposed changes to project scope, cost, or schedule that exceed predetermined thresholds established jointly by BPA and the Council.

V. Other Opportunities for Improvement

During the course of the review it became clear that potential changes to other Fish and Wildlife Program activities also provide an opportunity to improve the cost-effectiveness of procurement and contract administration. Opportunities for additional improvement have been identified in the planning and monitoring and evaluation phases of Program development and implementation.

Several of the recommendations contained in this section would likely require changes in the roles and responsibilities of entities involved in the planning and implementation of the Fish and Wildlife Program. It is recognized that changes in planning and implementation roles and responsibilities may not be permitted by the current constraints of the Northwest Power Act, Gorton Amendment, Memorandum of Agreement, various court settlements and rulings as well as authorities vested with federal, state, and Tribal entities involved. However, it is also understood that legislation stemming from electric industry deregulation, expiration of the Memorandum of Agreement, and processes which may emanate from the Three Sovereigns discussions could provide opportunity for consideration of more efficient and cost-effective means for Program implementation.

A. *Planning*

Planning precedes program implementation and therefore should provide a comprehensive foundation for projects upon which procurement and contract administration is built. Comprehensive planning should encompass establishing policy direction, identifying and prioritizing needs, defining corresponding projects that are grounded in science, making budget allocations, and specifying performance expectations. Comprehensive planning that incorporates stakeholder participation and scientific review is critical to cost-effective contracting.

1. **Finding:** The Columbia River Basin Fish and Wildlife Program is required by law to be reviewed at least once every five years. The Program was amended in 1984, 1987, 1991-1993, and 1994. The 1994 Program represents the current long-range fish and wildlife plan for the Columbia River Basin. The Program was most recently amended in 1995. Plan amendment processes require a substantial effort by the Council and the region's stakeholders. The process can easily require 9 to 12 months.

Recommendation: Comprehensively update the Program every five years. The Program should cover a five-year time frame, and it should be updated based on the results of monitoring and evaluation. The five-year update should focus on the framework, goals, and objectives. The primary product of the Program should be strategies for protecting, mitigating, and enhancing fish and wildlife.

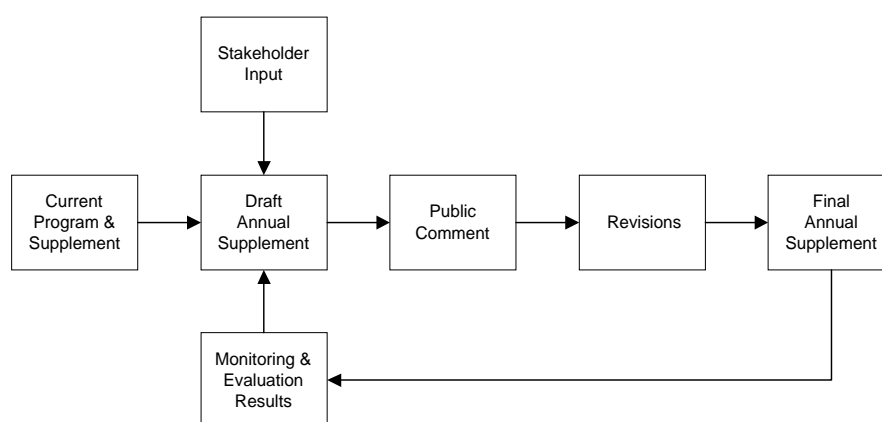
2. **Finding:** The Columbia River Basin Fish and Wildlife Program does not contain all of the information typically contained in a comprehensive plan.

The primary components of a comprehensive plan include goals, objectives, needs/solutions, cost estimates, and implementation schedules. The Program provides a broad framework, goals, and objectives. The lack of detail of the Program has likely contributed to the finding of the ISRP that there is a noticeable difference between the mix of projects actually funded and the ISRP's interpretation of the intent of the Fish and Wildlife Program.

Recommendation: Initiate an annual planning process to develop fiscal year details that supplement the Program by providing specific direction for addressing fish and wildlife needs in the Columbia River Basin. This annual planning process would be a collaborative effort of all the stakeholders, including BPA, CBFWA, the Council, independent scientists, and others, and would provide comprehensive guidance for the entity ultimately responsible for preparing the plan. The primary product of the annual supplement would be tactics for protecting, mitigating, and enhancing fish and wildlife. Together, the Program and annual supplement would serve as a comprehensive plan.

A suggested process for annually preparing a supplement to the Program is illustrated in Exhibit 3. Ongoing monitoring and evaluation of existing projects during the course of the year will provide critical input to the annual planning process.

Exhibit 3, Suggested Planning Process



3. **Finding:** Multiple “planning” documents exist that are highly interrelated but not fully integrated. Existing plans include the Council’s Columbia River Basin Fish and Wildlife Program, the fisheries manager’s Multi-Year Work Plan and Annual Implementation Work Plan, and the Tribal Restoration Plan (Wy-Kan-Ush-Mi Wa-Kish-Wit). Other related documents include “Return to the River,” which was prepared by the Independent Scientific Group, “Upstream,” which was developed by a National Research Council panel, and the relevant biological opinions of the National Marine Fisheries Service (NMFS) and United States Fish and Wildlife Service. These documents and the visions and solutions they set forth need to be integrated to the greatest extent possible.

Recommendation: Coordinate the planning efforts of the various fish and wildlife stakeholders to develop one regional plan, the Columbia River Basin Fish and Wildlife Program. As recommended by the ISRP, this plan should reflect the “Integrated Framework for Fish and Wildlife Management in the Columbia Basin” developed by the Council. The Program must attempt to encompass the Endangered Species Act requirements. The Tribal Restoration Plan should be factored into the Program through strengthened participation of the region’s Indian tribes in both the five-year and annual planning processes. By consolidating planning activity on the development of a single, comprehensive plan (i.e., five-year Program and annual supplement), the region’s stakeholders will have clearer direction for achieving the fish and wildlife goals.

4. **Finding:** Projects are currently intended to be prioritized as part of the proposal evaluation process in response to proposals, instead of during the annual planning process. In addition, the Program appears to provide little guidance regarding the relative priority of measures. Attempting to identify and address the priority needs of the region through a procurement and budget allocation process for project proposals is at best a difficult and complex approach and not conducive to cost-effective contract implementation. For example, the Fiscal Year 1997 project proposal solicitation process resulted in the submittal of 400 project proposals that may or may not have been entirely responsive to the priority needs of the region. Of these, 224 projects were recommended for funding using prioritization criteria develop by CBFWA and approved by the Council.

Recommendation: Prioritize projects as part of the planning process. Scope projects in response to identified needs, evaluate projects against the available budget, and finally prioritize projects to provide the basis for the annual BPA solicitation for proposals. The product of this prioritization process should be a list of priority projects identified in the annual Program supplement that are achievable within the annual BPA budget available for fish and wildlife activities related to the Program. This is not unlike the

concept that is currently being applied to watershed restoration and research, whereby needed projects are identified and prioritized and then proposals are solicited in response to priority projects.

5. **Finding:** Consistency between Program development and implementation is hindered by the participation of multiple independent scientific groups. Both the ISAB and ISRP contribute scientific expertise to the process. The ISAB provides independent scientific advice to the Council and NFMS, while the ISRP reviews fish and wildlife projects recommended by CBFWA for funding by BPA.

Recommendation: Consider consolidating the ISAB and ISRP into one independent scientific group to support development and implementation of the Program, based on the costs and benefits of consolidation. This consolidation should not require substantial membership change, since eight of the eleven members of the ISRP are also members of the ISAB. The roles of the consolidated group should be to support development of the Program and annual planning supplement and assist in the evaluation of project results. This consolidation would minimize the funding complexities associated with compensating the members of two scientific panels whose work may involve overlapping tasks.

B. Monitoring and Evaluation

Monitoring and evaluation can be useful in assessing the results of procurement and contract administration. Monitoring and evaluation findings and recommendations identify opportunities to strengthen future decisions based on past performance results. This area has received extensive attention over the past several years, because it represents one of the greatest opportunities to improve the efficiency and cost-effectiveness of Program implementation.

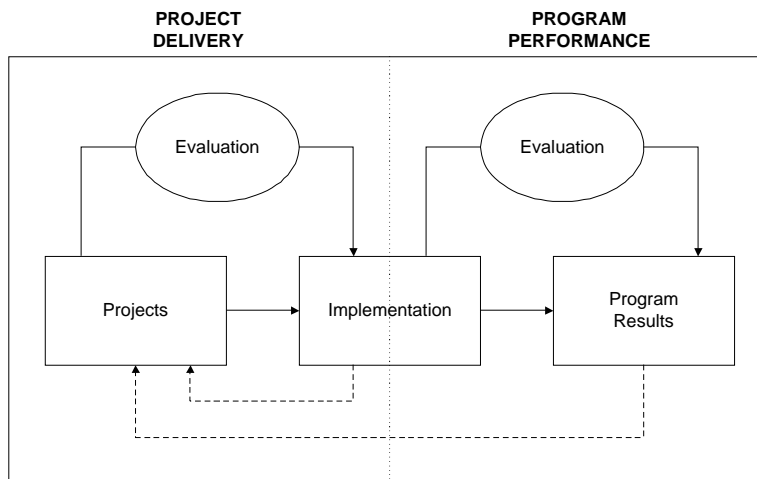
1. **Finding:** Current monitoring and evaluation activities are generally insufficient to support cost-effectiveness decisions. The need for more effective tracking and evaluation of project performance is well recognized. This topic was a focus of multiple reviews commissioned by the Council. These efforts range from the 1985 “Analysis and Development of a Project Evaluation Process,” prepared by Charles C. Coutant and Glenn F. Cada, to the 1996 ISRP review of the Columbia River Basin Fish and Wildlife Program.

In addition, the BPA Fish and Wildlife Division recently developed a Standard Template for Projects (STP), dated June 26, 1997, to facilitate fair and effective project tracking. The STP is intended to 1) attain and maintain a high level of technical quality in implementation of the Fish and Wildlife Program and 2) ensure that projects selected for funding demonstrate that BPA funds are being used wisely and efficiently toward meeting the goals and objectives of the Program.

Recommendation: Develop a comprehensive framework for project delivery and program performance monitoring and evaluation that supports decisions based on cost-effectiveness as well as scientific merit. Project delivery monitoring and evaluation would compare what was actually implemented with what was planned to be implemented to determine how well projects were accomplished. Program performance monitoring and evaluation would compare the actual impact of implemented projects with the stated objectives of the projects. Both components are essential to address the cost-effectiveness of fish and wildlife strategies and tactics.

In addition, it will be necessary to identify data requirements to support project delivery and program performance monitoring and evaluation. This should include identification of what information is needed from which organizations and how the information will be reported and utilized. Revisit the STP to assess its ability to meet these information needs. A suggested program and performance monitoring and evaluation process for the Fish and Wildlife Program is illustrated in Exhibit 4.

Exhibit 4, Suggested Project Delivery and Program Performance Monitoring and Evaluation Process



2. **Finding:** Monitoring and evaluation are not clearly assigned to any one organization, which hinders cost-effectiveness. Currently, BPA, through its

contract administration responsibilities, is responsible for collecting project progress information from contractors. However, neither the Council, BPA, ISRP, Peer Review Groups, nor CBFWA appear to have lead responsibility for monitoring and evaluation of the overall effectiveness of the Program that results from project implementation.

Recommendation: Assign to a single entity the primary responsibility for project delivery and program performance monitoring and evaluation. The entity primarily responsible for developing the Fish and Wildlife Program should also be responsible for ensuring that monitoring and evaluating the effectiveness of the Program occurs. Provide the resources necessary to perform this function. The ISRP and Peer Review Groups can supplement these efforts, but continuity and consistency are critical to effective evaluation of project delivery and program performance results.

3. **Finding:** Many fish and wildlife projects are annually renewed and/or modified multiple times without receiving a thorough evaluation of their effectiveness in meeting Program objectives. The 1996 Amendment to the Northwest Power Act calls for the establishment of Scientific Peer Review Groups to assist the ISRP in evaluating the scientific merit of ongoing projects. The ISRP subsequently recommended that peer reviews be conducted of continuing projects every three to five years.

Recommendation: Implement the ISRP's recommendation to conduct peer reviews of ongoing projects. The input of the Peer Review Groups would not only provide valuable scientific input, but it would also provide additional capability to have project performance guide future planning and procurement decisions.

VI. Implementation Plan

Implementation of the recommendations contained in this report will ultimately require significant changes to the way the Columbia River Basin Fish and Wildlife Program is currently implemented. Changes have been recommended relative to procurement and contract administration. Planning and monitoring and evaluation have been identified as areas where additional improvements could occur that would strengthen cost-effective implementation. Implementation of the recommendations may necessitate reorganization, process reengineering, modifications to roles and responsibilities, additional resources, and changes to policy or law. An overview of these changes is provided below.

- **Reorganization**—Assess the feasibility of integrating COR fish and wildlife contracting and COTR functions within the BPA Fish and Wildlife Division. Perform organizational analysis needed to support consideration of this strategy.
- **Process Reengineering**—Numerous process and procedure changes will be needed in order to streamline the proposal review process, establish more stringent information reporting requirements for fish and wildlife managers and contractors, institute an annual planning process, if possible, and develop and implement a comprehensive performance monitoring and evaluation framework.
- **Modifications to Roles and Responsibilities**—Improving teamwork between BPA, CBFWA, and the Council in administering contracts and monitoring and evaluating project progress and results will require changes to existing roles and responsibilities. In addition, focusing stakeholder participation in the planning process, when possible, will represent a more proactive role for CBFWA.
- **Changes to Policy or Law**—Several of the recommendations will require revisions to the Bonneville Purchasing Instructions. Other recommendations will require changes to the Memorandum of Agreement and/or Northwest Power Act, or new legislation.

By implementing these changes, the Council, BPA, CBFWA, and other fish and wildlife stakeholders will 1) create greater accountability for Program implementation, 2) establish a more cost-effective process for implementing the Program, and, ultimately, 3) provide the foundation for a more successful Program.

Decisions to implement recommendations contained in this report will require an agency to take lead responsibility for organizing resources, establishing timelines, performing supporting analysis, when necessary, and, ultimately, championing the changes. The lead agency will vary depending on the recommendation. In several cases, achieving successful implementation will necessitate the cooperation of multiple groups. The next step is to assemble representatives of the key stakeholders to jointly develop a mutually acceptable, detailed action plan for implementing recommended changes.

In general, the responsibility for implementing the recommendations contained in this report can be summarized as follows:

- Procurement—Bonneville Power Administration
- Contract Administration—Bonneville Power Administration
- Planning—Northwest Power Planning Council, CBFWA, and independent scientists
- Monitoring and Evaluation— Northwest Power Planning Council, CBFWA, and independent scientists

Implementation timing and duration will vary depending on the type of change required. For instance, adjustments to administrative processes and procedures will tend to be achievable within a matter of weeks; changes to roles, responsibilities, and organizational structure will typically require several months to facilitate the transition process; and changes to processes that require policy, statutory, or institutional modifications can be expected to take 12 to 36 months to accomplish. Taking into consideration the sequence and timing of annual Program development and implementation activities, a general implementation schedule is provided in Exhibit 5.

Exhibit 5, Implementation Schedule

Process	1998			
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Procurement				
Contract Administration				
Planning				
Monitoring and Evaluation				

By working as a team, the Council, BPA, CBFWA, and independent scientific advisors can achieve this road map for improving the efficiency and effectiveness of the Program implementation process. Each of these groups and the public stand to greatly benefit from the successful implementation of the recommendations contained in this report.

VII. References

- 1994 Columbia River Basin Fish and Wildlife Program, Northwest Power Planning Council, December 14, 1994.
- 1995 Amendments to the Columbia River Basin Fish and Wildlife Program, Northwest Power Planning Council, September 13, 1995.
- 1996 Amendment to the Northwest Power Act, United States Congress, 1996.
- Addenda to the Draft FY1998 Annual Implementation Work Plan, Columbia Basin Fish and Wildlife Authority, July 15, 1997.
- An Integrated Framework for Fish and Wildlife Management in the Columbia River Basin, Northwest Power Planning Council, April 10, 1997.
- Analysis and Development of a Project Evaluation Process, Charles C. Coutant and Glenn F. Cada, Environmental Sciences Division, Oak Ridge National Laboratory, January 1985.
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- Bonneville Purchasing Instructions, Bonneville Power Administration, March 15, 1995.
- Comprehensive Review of the Northwest Energy System, Final Report Toward a Competitive Electric Power Industry for the 21st Century, prepared by a 20-member Steering Committee, December 12, 1996.
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- Draft Guide to Project Peer Review in the Columbia River Fish and Wildlife Program, Scientific Review Group, February 10, 1994.
- Memorandum of Agreement among the Department of the Army, Department of Commerce, Department of Energy, and Department of the Interior concerning the Bonneville Power Administration's financial commitment for Columbia River Basin Fish and Wildlife Costs, September 16, 1996.
- Pacific Northwest Electric Power Planning and Conservation Act, Public Law 96-501, 96th United States Congress, December 5, 1980.

- Review of the Columbia River Basin Fish and Wildlife Program as directed by the 1996 Amendment to the Power Act, Independent Scientific Review Panel, July 15, 1997.
- River Future, Summary and Guide for Public Comment for the Fiscal Year 1998 Fish and Wildlife Project Selection Process, Northwest Power Planning Council, July 15, 1997.
- Standard Template for Projects, Bonneville Power Administration, June 26, 1997.